

**FISCAL MEMORANDUM
SB 1781 – HB 2052**

April 23, 2007

SUMMARY OF AMENDMENT (006350): Deletes the language of the original bill. Creates a special joint legislative study committee, consisting of five (5) members of the Senate and five (5) members of the House of Representatives, to consider, evaluate, and make recommendations relative to the taxation of moist snuff tobacco. Requires the study committee to report its findings to the 105th General Assembly no later than January 10, 2008.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Revenues –

\$9,432,000 / Earmarked to Department of Agriculture
\$192,000 / General Fund
\$430,000 / Education Fund
\$2,000 / Department of Revenue
<u>\$6,000 / Sinking Fund</u>
\$10,062,000 – Total Increase

Increase State Expenditures - \$1,546,000 Recurring
\$24,000 One-Time

Increase Local Govt. Revenues – Net Impact - \$242,000

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures - \$2,700 Each One Day Meeting

Assumptions applied to amendment:

- The committee shall be convened by the member with the most years of continuous service in the General Assembly, and at its first meeting shall elect a chair, vice-chair, and other such officers as the committee deems necessary.
- Travel expenses and per diem for 10 legislative members of \$2,730 (\$153 per diem plus \$120 mileage each).

CERTIFICATION:

<BillComp>

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with a prominent initial "J" and a distinct "W".

James W. White, Executive Director

/rnc